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NEWS RELEASE

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Division of Securities Accuses Broker of Stealing Customer Funds

Broker forged account documents and took more than \$60,000 from customer account . . .

SALT LAKE CITY, Utah – The Utah Division of Securities issued an Order to Show Cause today against David C. Young of South Jordan, Utah. The Order to Show Cause alleges that Young made unauthorized withdrawals from an annuity in a customer account.

According to the Division, from 2001 through September 2003, Young was a licensed securities agent with Waddell & Reed. During that time, he solicited his mother-in-law to purchase a variable annuity contract. The \$128,000 variable annuity was being invested for the benefit of the grandmother of Young's wife. Young was paid a commission of \$3,590.72 on the sale.

The Order alleges that four months after selling the variable annuity, Young instructed Nationwide Life and Annuity to send money from the account to him. Over the next year and a half, Young made seven withdrawals totaling \$61,156.11. It is alleged that the money was used to cover overdrafts in Young's checking account, make car payments, purchase an all-terrain vehicle, pay for other personal expenses, or withdrawn as cash. The Division alleges that Young also asked Nationwide to change the name of people authorized to receive payments from that account and had checks mailed to his mother's address.

In addition to the \$61,156 allegedly taken by Young, the customer also incurred \$2,161.90 in surrender charges and had to pay taxes on some of the monies withdrawn by Young.

The Division alleges that Young's unauthorized withdrawals operated as a fraud or deceit on his customers as well as his broker-dealer and Nationwide. The Division is seeking to have Young ordered to cease and desist from any fraudulent practices or other violations of the securities laws, pay a \$100,000 fine, and be barred from future employment in the securities industry.

A hearing will be held on March 22, 2007 at which time Young will be able to contest the Division's allegations.